



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
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Legislative File No: 2021-0391

TO: Mayor and City Council Members

FROM: Allan E. Schneck, PE, Director, Department of Public Services

DATE: September 27, 2021

SUBJECT: 2021 Butler Road Rehabilitation Program
City File No. E21-002

REQUEST:

City Council is requested to authorize a blanket purchase order/contract for the 2021 Butler Road Rehabilitation Project to the City of Auburn Hills in a not not-to-exceed amount of \$45,000.00 and further authorizes the Mayor to execute a contract on behalf of the City.

REASON FOR PURCHASE:

A traffic control maintenance and safety concern was raised by the Butler Road contractor, Pro-Line Asphalt (PLA), to the Department of Public Services. PLA requested that Rochester Hills establish a project detour that would allow the use of Butler Road in the City of Auburn Hills. City staff agreed with this change in how the maintenance of traffic should be handled and coordinated with the Road Commission for Oakland County (RCOC) and Auburn Hills (AH) to secure their approvals for detour signage and use along Adams (RCOC), Squirrel (AH) and Butler (AH).

The Auburn Hills approval was issued with a right-of-way use permit and a condition of the permit. Auburn Hills was concerned that the use of their section of Butler Road would be damaged by the construction and detour traffic and required that Butler be restored. The Rochester Hills engineering staff agreed that this was a reasonable concern.

The two communities requested that PLA provide a cost estimate for performing the road restoration with the intention of paying for the work through a change order in the Rochester Hills Butler Road project. PLA would not agree to use the same unit prices for work in Auburn Hills that was included in the Rochester Hills project. It became evident that the expense was too high and unreasonable.

In a good display of neighborly cooperation, Auburn Hills then suggested an alternative to utilize two contractors that they had retained for other work in their community to complete the road restoration work. The Rochester Hills engineering staff agreed that this proposal was a better overall option but it would require another purchase order approval by City Council since project payment is only permitted to PLA.

Auburn Hills has suggested a 40% RH and 60% AH share of the actual costs for the proposed Butler road restoration work. The Rochester Hills allocation is estimated at \$32,000 to \$40,000. The budget section of this agenda summary was prepared to request a not-to-exceed approval of \$45,000 from the previously approved project contingency.

PROCESS:

Vendor Name and Address:

City of Auburn Hills
1827 N. Squirrel Road
Auburn Hills, MI 48326

Reason for Selection:

Right-of-Way Permit Condition

Method of Purchase:

Blanket Purchase Order/Contract

BUDGET:

Funding would come from the available contingency amount that was budgeted with the Butler Road project award to Pro-Line Asphalt. The 2021 Butler Road paving project is expected to be completed under budget and will not need to use any of the previously approved available contingency funding.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Major Road Fund	452.970000	Construction & Improvements	\$64,836.60	\$45,000.00	\$19,836.60

RECOMMENDATION:

The Department of Public Services recommends that the City Council authorize a blanket purchase order/contract for the 2021 Butler Road Rehabilitation Project to the City of Auburn Hills in a not to-exceed amount of \$45,000.00 and further authorizes the Mayor to execute a contract on behalf of the City.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		

Contract Reviewed by City Attorney Yes N/A